



(Stock Code : 672.HK)

**Zhong An Group Announces 2022 Interim Results**  
**Continuously Expanding Quality Land Bank**  
**Revenue and Net Profit Increased against the Trend**

**Financial and Business Highlights**

For the six months ended 30 June 2022:

- ✓ The Group's revenue in the period under review was approximately RMB5,077.6 million, representing an increase of approximately 156.2% as compared to the corresponding period in 2021;
- ✓ The Group's gross profit in the Period under review was approximately RMB1,726.1 million, representing an increase of approximately 174.7% as compared to the corresponding period in 2021;
- ✓ The Group's profit in the Period under review was approximately RMB70.2 million, representing an increase of approximately 106.5% as compared to the corresponding period in 2021;
- ✓ As at 30 June 2022, the Group's total gearing ratio and net gearing ratio were approximately 79.7% and 82.9% respectively, which had maintained at a reasonable level;
- ✓ In the period under review, the Group obtained 7 new parcels of land with a total GFA of approximately 0.52 million sq.m. at an average land cost of approximately RMB9,323 per sq.m. which were located in China's relatively active and developed cities.

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(25 August 2022 - Hong Kong) **Zhong An Group Limited** ("Zhong An" or the "Group", Stock Code: 0672.HK), a leading property developer in the Yangtze River Delta region of China. The board of directors is pleased to present the results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2022 (the "Review Period").

Despite the great downward pressure of the industry, the Group still maintained a strong growth momentum. In the Period under review, the Group achieved a revenue of RMB5.08 billion (the same below), representing an increase of 156.2% year-on-year; The gross profit

was approximately RMB1.726 billion, representing a year-on-year increase of 174.7%, and the profit was RMB70.2 million, representing a year-on-year increase of 106.5%. The gross profit margin was 34.0%, representing an increase of 2.3 percentage points as compared with that of 2021, and continued to maintain the high level of the industry.

**The cash flow was sufficient and three red lines continued to maintain “green lights” with solid financial data**

the Group has always maintained the development strategy of a stable financial structure, leaving enough safety margin for the development of the Group. As of June 30, 2022, the Group’s cash balance was approximately RMB7.23 billion, the cash to short-term debt ratio was 1.65x, the net gearing ratio was 82.9%, and the debt to asset ratio after prepayments was 67.9%. The key financial indicators of the three red lines have always continued to maintain in “green lights”.

At the same time, the Group’s financing channels remained unimpeded and established good long-term cooperative relations with banks and other financial institutions. In the Review Period, the Agricultural Bank of China Zhejiang Branch (中國農業銀行浙江省分行) signed the strategic cooperation agreement on mergers and acquisitions business with the Group, granting the Group financing amount of RMB7 billion for M&A intention, focusing on supporting the Group’s M&A and restructuring in upstream and downstream business, fully demonstrating the confidence of banks and other financial institutions in the long-term and healthy development of the Company.

**Prudently replenish high-quality land bank to lay a solid foundation for long-term development**

In the Period under review, the Group acquired 7 parcels of land in Zhejiang Province through public auction, with a new gross floor area of approximately 524,000 square meters and a new saleable resource of nearly RMB10.5 billion, exceeding the target of expanding saleable resource; The average land cost was approximately RMB9,323 per square meter. Among all new projects, the added resource available for sale in Hangzhou accounted for 85%, which reflects the determination and confidence of the Group to be

deep-rooted in the Yangtze River Delta, and also lays a solid foundation for the Group's in-depth strategic layout and performance improvement in Hangzhou.

As of June 30, 2022, the total gross floor area of the Group's land bank was approximately 10.44 million square meters, of which 87% was distributed in economically active areas in the Yangtze River Delta; The land bank mentioned above can support the development in the next five years, and the average cost of floor land price was only approximately RMB3,229.

### **Outlook**

In the second half of 2022, the Group will maintain a short-term prudent and long-term optimistic view, continue to consolidate its core areas, solidify the stability of enterprise development, and ensure that it can better resist risks in any environment. In terms of development strategy, the Group will continue to deeply cultivate the cities in the Yangtze River Delta and Zhejiang Province, focusing on the future core of the cities within the layout for project expansion. Through high-quality products, services, and development, it will constantly adapt to the changes of new market models, new technologies, and new life, and maintain market competitiveness for a long time.

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